RBI have reported that two applications have been returned as the applications were submitted without the companies being incorporated. Other applications are being processed.

(d) RBI have further reported that as the sector is in its nascent stage, it is premature to gauge the impact the Securitisation Companies/Reconstruction Companies operating in the system will have on the recovery position of non-performing assests, as it depends on how well this sector takes off in resolution of non-performing assets.

Growth of agriculture and industry sector

2250. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Agriculture and Industry sectors are expected to show better growth rates in the current financial years;

(b) if so, whether the performance so far is on the lines of the estimates; and

(c) to what extent Government have been successful in taking the economy on the path of progress?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) As per the available information, the Central Statistical Organisation, at factor cost, at constant prices in the first quarter (April-June) of the current year has estimated a 5.7 per cent growth rate compared with 5.3 per cent during comparable period of last year. During the first quarter of the current year, the growth rate of agriculture and allied, and industry sectors are estimated at 1.7 per cent and 5.8 per cent respectively as compared with 2.7 per cent and 4.7 per cent during comparable period of the previous year. The rainfall during monsoon 2003 was normal with seasonal precipitation of 102 per cent of Long Period Average (LPA). As a result, overall performance of kharif foodgrains and most of the major kharif commercial crops, as per first advance estimate, has been assessed to be above normal. The whether and temperature conditions in post monsoon season so far also remained generally favourable for rabi crops. As per the Index of Industrial Production, the growth rate during April-October 2003 at 5.9 per cent

is higher than 5.6 per cent during comparabe period of the previous year.

(c) The budget 2003-2004 has proposed measures for developing horticulture, improving water management and ensuring adequate credit flow to the farm sector. Other initiatives to improve economic growth include promotion of infrastructure development by leveraging public money through private sector participation, promoting private investment and measures aimed at fiscal consolidation. These measures are expected to have a favourable impact on the growth of the economy.

Surrogate Auditing

2251. SHRI R.S. GAVAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that multinational corporations are doing surrogate audit work in the country;

(b) if so, the details thereof, alongwith the cases that came to the notice of Government;

(c) the action taken on such companies;

(d) the details of foreign companies allowed to do the audit work in the country;

(e) whether Government have reviewed their working recently; and

(f) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI JASWANT SINGH): (a) No person is entitled to conduct audit unless he is a member of the Institute of Chartered Accountants of India and has obtained from this Council a certificate of practice.

(b) No instance of a non-member, or a person/firm not holding a certificate of practice from the Institute of Chartered Accountants of India (ICAI) conducting audit as required under the Companies Act, 1956 has come to the notice of the Government.

(c) to (f) Do not arise.